

Deal reached on Washington state budget

Post-midnight agreement announced without details

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The Spokesman-Review

June 27, 2015

UPDATE: OLYMPIA —After negotiating past midnight on the final day of a second special session needed to write a two-year budget for the state, Gov. Jay Inslee and legislative leaders said they reached an agreement “in principle” that would avoid a partial government shutdown in four days.

Details of the plan weren’t announced in the 1:28 a.m. press release from Inslee’s office, which said negotiators “will convene later this morning to finalize details” and promised more information later in the day.

By noon, negotiators were said to be in closed-door sessions, going line-by-line through the budget, which will likely have more than \$38 billion in spending for the next two years. Legislators are expected to need a third special session, which could start Sunday, to have the time needed to print, study and vote on the budget.

OLYMPIA – With one day left in the second special session and four days left before a partial government shutdown, legislative leaders and Gov. Jay Inslee worked late into the night Friday, trying to craft a budget that will carry most state programs through the next two years.

An announcement by Inslee originally planned for 5 p.m. was postponed, first for an hour and a half and then indefinitely, and negotiators had no deal by the time the newspaper went to press.

In dispute are undisclosed differences in a budget of about \$38.2 billion. In the afternoon, Senate Ways and Means Committee Chairman Andy Hill, the Senate Republicans’ chief budget negotiator, said he met with his House counterpart late into the evening Thursday and for three hours Friday morning and the two sides were closer but “sticking points” still remained.

One of them, Hill acknowledged, was a difference on what to do about tuition at public colleges and universities, which climbed significantly during the recession as the state cut back its funding and allowed the schools to increase the cost to students. Senate Republicans want a budget that cuts tuition by as much as 25 percent in the next two years, which Hill said would be the first such cut in state history.

House Democrats have said that’s an expense the GOP doesn’t adequately cover with available revenue, and propose instead a tuition freeze.

On Friday, the Ways and Means Committee passed the latest Senate spending plan, along with legislation that would close a pair of tax preferences and increase tax revenue by about \$126 million. But at the same time, the panel approved separate legislation with 20 new or extended tax preferences, which Senate Democrats said reduced revenue by about \$88 million.

House Democrats have dropped their call for a capital gains tax on those who receive more than \$25,000 a year in investment profits. But they have a larger package of tax preference closures of about \$356 million.

Today will be the 30th day of the second special session, and legislators conceded Friday there was no way a budget could be printed and formally submitted for a vote, even if an agreement had been reached earlier in the day. That means, with any announcement of a budget deal, Inslee also will have to call an unprecedented third consecutive special session to give the Legislature time to debate and vote on a budget that both chambers can pass with the same amounts for each item in a document normally more than 500 pages.

It must get to Inslee for his review and signature before midnight Tuesday, so state agencies can have the legal authority to fund programs and pay wages on July 1, the start of the new fiscal year.

Without that authority, some government offices would close, and about 26,000 state workers would go on indefinite furlough.